

VZCZCXYZ0000  
OO RUEHWEB

DE RUEHAK #1850/01 2001410  
ZNY CCCCC ZZH  
O 191410Z JUL 07  
FM AMEMBASSY ANKARA  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3038  
INFO RUCNCIS/CIS COLLECTIVE  
RUEHZN/EUROPEAN POLITICAL COLLECTIVE  
RUEHGB/AMEMBASSY BAGHDAD 0995  
RUEHIT/AMCONSUL ISTANBUL 3039  
RUEAIIA/CIA WASHDC  
RHEHAAA/NSC WASHDC  
RUEUITH/ODC ANKARA TU  
RUEHNO/USMISSION USNATO 5830  
RHMFIISS/CDR USEUCOM VAIHINGEN GE  
RUEHBS/USEU BRUSSELS  
RUEKJCS/SECDEF WASHINGTON DC  
RHEBAAA/DEPT OF ENERGY WASHINGTON DC  
RUCPDOC/DEPT OF COMMERCE WASHDC

C O N F I D E N T I A L ANKARA 001850

SIPDIS

SIPDIS

USDOC FOR 4212/ITA/MAC/CPD/CRUSNAK  
DOE FOR ALAN HEGBURG  
EUR ALSO FOR MATT BRYZA  
SCA ALSO FOR STEVE MANN  
EEB FOR JAMES EIGHMIE AND ROB GARVERICK

E.O. 12958: DECL: 07/18/2017  
TAGS: ENRG EPET PREL TU IR  
SUBJECT: TURKEY-IRAN GAS MOU: AMBASSADOR RAISES U.S.  
CONCERNS

REF: A. ANKARA 1121

- ¶B. ANKARA 803
- ¶C. ANKARA 518
- ¶D. ANKARA 1809
- ¶E. SECSTATE 99411

Classified By: AMBASSADOR ROSS WILSON FOR REASONS 1.5 (B AND D)

¶1. (C) SUMMARY: Ambassador conveyed Washington's serious concern over the Turkey-Iran gas MOU with MFA U/S Apakan (D equivalent) on July 18. Apakan urged the U.S. not to over-interpret, saying there is a real question whether the MOU will be implemented and stressing that Turkey's Iran policy has not changed. He said it remains to be seen how far the MOU will be implemented, and said Turkey will not let any agreement be used to work against the interests of Turkey's western partners. Post is following up at the working level in MFA and Ambassador has requested to see Energy Minister Guler. End Summary.

-----  
Ambassador Protests MOU  
-----

¶2. (C) Ambassador presented the points in ref e to Apakan. He stressed that the preliminary MOU raises questions about the common Caspian gas agenda on which the U.S. and Turkey have been working together: Trans-Caspian pipeline(TCP), Nabucco, Greece/Italy. The U.S. supports diversification of supply but not with the complications of Turkey increasing its reliance on Iran. The Ambassador expressed particular concern about the idea

of Turkmen gas going through Iran, that would undermine TCP at a moment when the Turkmen leadership has publicly embraced it. The U.S. strongly opposes pipelines through Iran, and the proposed investments in Iran's oil and gas sector raise concerns under the Iran Sanctions Act (ISA). Moreover, the Ambassador noted the intense Congressional interest in such investments. Proceeding with the MOU will aggravate Congressional

problems in U.S.-Turkish relations. Finally, the Ambassador questioned the energy policy logic, since Iran has been an unreliable gas supplier to Turkey. He concluded that there will be big problems for our relationship if Turkey goes ahead with such cooperation with Iran.

-----  
Apakan Asks U.S. not to Over-Interpret  
-----

¶3. (C) Apakan said he took note of these U.S. concerns. He urged us not to over-interpret, arguing that the MOU did not merit such worries. Characterizing the MOU as merely an expression of intent, he said there was a question mark about the extent to which it will be implemented. He said there has been no shift in Turkey's Iran or energy policies and that Turkey continues to support UNSC resolutions 1737 and 1747. He said energy ministers from neighboring countries come through Ankara all the time. The Iranian minister came through and made an offer that is reflected in the MOU. Turkey's action was not

"premeditated," and "We will see where it will go." He added that since Ataturk, Turkey has not wanted to be identified with Iran and that Turkey will not represent Iran's energy interests. He specified that Turkey will not use any arrangement with Iran to act against the interests of

Turkey's western partners. He hinted that there was an element of pre-electoral posturing, saying that the elections made people say Turkey has to give priority to its own interests.

¶4. (C) We also followed up with MFA staff from the Americas, Energy, and South Asia departments. We provided ref e points as a non-paper which they undertook to share with the Energy Ministry.

-----  
Comment:  
-----

¶5. (C) Apakan was passionate in his assertion that Turkey continued to support western policies on Iran and in his attempt to downplay the importance of the MOU. However, he avoided specifically answering the charges that the announcement undermines the international community's efforts to isolate Iran as well as the Caspian gas strategy. His hint about the pre-electoral posturing rings true. The AKP Government loses no votes by standing up to the U.S. and diversifying its energy supplies away from Russia. There may also be some tension between the Energy Ministry's desire not to foreclose ultimate Turkish access to Iran's huge gas reserves and MFA's desire not to undermine UN Iran policy or hurt bilateral relations with the U.S. Post will continue to engage on this, perhaps with better results following Turkey's July 22 election.

Visit Ankara's Classified Web Site at  
<http://www.state.sgov.gov/p/eur/ankara/>

WILSON